Guide to Your Retiree Benefits 2017

CITY OF KNOXVILLE

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What's new for 2017?

Medical:

Beginning January 1st, the City is offering the following four medical plans:

- $500 deductible – Network S
- $500 deductible – Network P
- $1,000 deductible – Network S
- $1,000 deductible – Network P

In addition, you have the option to participate in the My Health Wellness Program. Participants will receive:

Wellness Credit (to offset your premiums per paycheck)	**Monthly HRA Contribution**
$20 – Retiree only participation	$32 (if enrolled as Retiree Only)
$20 – Spouse only participation	$64 (if enrolled as Retiree + Spouse, Retiree +
$40 – Both Retiree and Spouse participation	Child(ren), or Retiree + Family

Prescription Drugs:

The City is also offering reduced copays for all plans, regardless of whether you participate in the My Health Wellness Program. Additionally, OptumRx will have formulary changes. Should any of these changes impact you, you will receive a letter in the mail in mid--November.

The Center:

The City's Health & Wellness Center will be operated by Premise Health effective November 1st. Premise will offer limited services and appointments, but will be expanding services and appointments throughout November.

My Health Wellness Portal, powered by Propel:

The City is also introducing a new portal for our My Health Wellness Program, available on December 1st. The My Health Wellness Program requirements haven't changed, only the website where you track your requirements. You can access the new portal at the following website: www.cokmyhealth.com.

Annual Enrollment Checklist

- Review materials
- Complete the 2017 Medicare Affidavit (whether changing benefits or not)
- Complete the 2017 Retiree Annual Enrollment form (everyone must complete)
- Mail forms to Employee Benefits at: 400 Main Street, Room 566
  Knoxville, TN 37902

Call us at 865.215.2111 or email **CityBenefits@knoxvilletn.gov** if you have any questions.

Changing Your Benefits

Generally, you cannot change your benefit elections during the year unless you experience a life event. Life events include but are not limited to:

☐ Change in retiree's legal marital status: marriage, divorce, death of spouse

☐ Change in number of dependents: birth, adoption, placement for adoption, death of dependent

☐ Change in dependent's employment status: termination, commencement of employment, coverage of dependent, loss or gain of benefit eligibility of dependent

☐ Dependent eligibility changes: dependent is newly or no longer eligible (i.e., reached age 26)

☐ Material benefit change of retiree or dependent, including dependent's annual enrollment

☐ Dependents gain or lose eligibility for Medicaid or SCHIP coverage

Who is eligible for coverage?

Retiree:

As a retiree, you are eligible to stay on the City's medical plan if you are not eligible for Medicare due to age or disability. You may continue coverage with the City's plan until you become eligible for Medicare, as defined by the City's Administrative Rule 8, Benefit Continuation in the Event of Absence or Separation. Every year you'll be asked to verify your and your dependent's Medicare eligibility with the City's Medicare Affidavit.

Spouse and/or Children:

Dependents cannot be enrolled in retiree coverage if they are eligible for Medicare, due to either age or disability. Additionally, all dependents on the City's medical insurance plan must meet the following dependent definition: The retiree's current legal spouse or qualified same or opposite gender domestic partner, excluding a common--law spouse.

A dependent child, up to age 26, who is the retiree's or retiree's spouse's or qualified domestic partner's natural child, legally adopted child (including children placed for adoption), step--child, or child for whom the retiree or retiree's spouse is the legal guardian or legal custodian, or a child of the retiree, retiree's spouse or qualified domestic partner for whom a Qualified Medical Child Support Order has been issued.

- An incapacitated child of the retiree, retiree's spouse or qualified domestic partner.
- Dependents who permanently reside outside the United States are not eligible for coverage.
- The plan's determination of eligibility under the terms of this provision shall be conclusive. The plan reserves the right to require proof of eligibility, including but not limited to a certified copy of any Qualified Medical Child Support Order, birth certificate, and/or proof of court--granted legal guardianship, legal custody and/or legal adoption.

REMEMBER: When adding a dependent to your plan, make sure you explore all available options, as the City's retiree coverage may not be the most economical for every family. If you have questions on other available options, please contact Employee Benefits at 865.215.2111.

How does Medicare affect eligibility?

Retiree:

Once you are eligible for Medicare, you are no longer eligible for the City's retiree coverage. You will need to meet with a Medicare Specialist to determine if you need an advantage or supplemental plan, or to apply for Part A and B.

Spouse and/or Children:

If you become eligible for Medicare first, then your dependents will need to find other coverage, either by accepting the 36 months of COBRA through the City or researching individual coverage on the Marketplace.

If your dependents reach Medicare eligibility before you do, they will need to seek coverage through Medicare and possibly an Advantage or Supplement Plan. The Employee Benefits Department has contacts that can help you research coverage options so please call us for more information.

Medical

The City offers medical coverage to retirees and your eligible family members that are not eligible for Medicare. It's administered by BlueCross BlueShield of Tennessee (BCBST). Upon retirement, you have three choices to make:

1. Your network

BCBST offers a choice of two networks:

- Network S—All hospitals in Knox County participate with the exception of the University of Tennessee Medical Center.
- Network P—98% of Knox County doctors and all area hospitals participate

To see if your doctor participates in either network, check the provider directory at www.bcbst.com or link to the directory through the City's online annual enrollment tool in PeopleSoft. Remember, you have to use BCBST network providers to get in--network benefits. It's important to make sure you take an active role in ensuring the providers you see are in the network, including providers you are referred to for follow--up visits from providers seen in an emergency situation. The network you select during annual enrollment is the one you'll use throughout 2017. You cannot change networks during the year unless you experience a life event as outlined on page 5.

2. Your deductible

- **$500 deductible option**
- **$1,000 deductible option**

Both options cover the same services and have the same coinsurance. The difference will be in—

- Coverage of Emergency room visits
- Monthly Premiums

3. My Health Wellness Program

The City's My Health Wellness Program is a voluntary program that rewards participants who commit to leading a health –conscious lifestyle. Participants who meet the program requirements receive a wellness credit and money in a Health Reimbursement Account.

Health Tools

BCBST:

Physicians Now (formerly MDLive): 1-888-632-2738
Connect with a doctor via the phone or the internet 24/7, for only a $38 fee.

BlueAccess: www.bcbst.com
BCBST's BlueAccess website gives you access to a variety of personalized information. Log in to:

- View claims history
- View and print explanations of benefits (EOBs), which can be forwarded to WageWorks to substantiate debit card purchases using your HRA
- Search for providers
- Complete and submit your monthly physical activity affidavit (PAA)

You can also download the BlueCross BlueShield app, called myBlueTN, available for both iOS and Android.

My Health Wellness Portal, powered by Propel:
The City has partnered with Propel to develop a new online tool for tracking and completing your My Health Wellness Program requirements. Beginning December 1, you can access the portal by visiting the following website:
www.COKMyHealth.com

OptumRx: www.optumrx.com
Log in to:

- View claims history
- Research drug pricing
- Find pharmacy locations

There is also an app available for download, where you can manage your prescriptions from your mobile device. For drug tiers, go to
www.cityofknoxvillerx.com

Wage Works: www.wageworks.com
The free WageWorks EZ Receipt app has recently been updated to now include history. Also on the app, you can:

- Submit health care claims – for quick reimbursement
- Submit health care card receipts – to verify your card transactions, as required by the IRS

2017 Medical options...at a glance

	$500 deductible option		$1,000 deductible option	
	In-network	**Out-of-network[1]**	**In-network**	**Out-of-network[1]**
You pay…				
Annual deductible	$500/individual $1,000/family	$1,000/individual $2,000/family	$1,000/individual $2,000/family	$2,000/individual $4,000/family
Then the plan pays…				
Physician office visits	80% after deductible	60% after deductible	80% after deductible	60% after deductible
Hospital care				
Most other services				
Preventive care	100%; no deductible[2]		100%; no deductible[2]	
Emergency care	100% after $150 copay[3]		80% after deductible	
Until you reach…				
Annual out-of-pocket maximum[4]	$2,500/individual $5,000/family	$7,500/individual $15,000/family	$2,500/individual $5,000/family	$7,500/individual $15,000/family

[1]Out-of-network benefits are based on maximum allowable charges (MAC). You're responsible for the charges that exceed the MAC. You're also responsible for obtaining the required prior authorization for services if you use an out-of-network provider.

[2]Limits for certain services may apply. See preventive benefits described below.

[3]Some services and procedures, like MRIs, may be subject to the deductible and coinsurance.

[4]Once you reach the annual out-of-pocket maximum, the plan pays 100% of eligible expenses for the rest of the plan year. The medical out-of-pocket maximum includes amounts paid toward the deductible, ER copays where applicable, and prescription drug copays.

2017 Medical Rates

As a retiree, you pay 65% of the premium while the City pays the other 35%. Below are the monthly Retiree rates

Base Medical Plan	$500 Network S	$500 Network P	$1,000 Network S	$1,000 Network P
Retiree Only	$324.65	$337.02	$317.45	$329.55
Retiree + Spouse	$746.69	$775.14	$730.15	$757.97
Retiree + Child(ren)	$594.11	$616.75	$580.94	$603.08
Retiree + Family	$973.95	$1,011.06	$952.36	$988.65

Rates above do not include the following wellness credits:

$40 per month for Retiree or Spouse participation

$80 per month for BOTH Retiree and Spouse participation

My Health Wellness Program

When you enroll in the My Health Wellness Program and maintain all program requirements, you receive the following rewards:

1.A wellness credit to offset your medical premiums
2.RHRA Dollars from the City. An RHRA is a Health Care Reimbursement Account for Retirees set up by the City to help you pay for certain expenses that insurance doesn't cover — things like your annual deductible, coinsurance, prescription drug copays, and dental and vision care for you and your covered family members. The chart below outlines how much you will receive. See page 9 for information about spending your RHRA dollars for you and your eligible tax dependents

If you:	You receive in RHRA dollars:[1]
Participate in the My Health plan	**$32/month or $384/year** (Retiree only) **$64/month or $768/year** (Retiree + one or more Dependents)[1]
Additionally, if you:	
Or your covered dependent participates in the City's prenatal program (must enroll by the 10th week of pregnancy)	**$200 upon delivery of baby**

[1]Dependents must also maintain plan requirements as described on the next page.

Preventive Benefits

Both the My Health and Medical Only options cover preventive services at 100%—no deductible or copay required—when you use network providers. This means you pay nothing for services recommended by the US Preventive Services Task Force like:

- Annual well woman exam (including screening and counseling for HIV and domestic violence, counseling for sexually transmitted infections and pregnancy prevention
- High risk HPV testing beginning at age 30 (every three years)
- Contraceptive methods and sterilization procedures including tubal ligations and vasectomies
- Gestational diabetes screening if high risk for diabetes
- Generic prescription and over--the--counter contraceptives
- Lactation support and counseling
- Age appropriate health screenings (e.g., cholesterol, blood pressure, colorectal cancer, depression, diabetes, obesity, osteoporosis)
- Preventive care and screenings for infants and children
- Preventive care and screenings for women (e.g., breast cancer screening, cervical cancer screening)
- Preventive care and screenings for men (e.g., PSA test)
- Immunizations for adults and children
- Flu and pneumonia shots
- Annual exams (including x--rays and labs)
- Vision and hearing screenings (as part of an annual exam)

Exception: A preventive care service must be billed by the provider as preventive care to assure 100% coverage. If a preventive service is billed separately from an office visit, you may be required to share in the cost of the office visit. For example, if you seek a preventive service such as an annual well--woman exam (Pap) or well--man exam (PSA test) and also receive some other kind of treatment (such as care for a sinus infection), cost sharing may apply to your office visit. In other words, the preventive portion of the visit will be covered at 100%, and the illness portion may be covered with applicable cost sharing.

The City encourages you to have health screenings and immunizations at appropriate times and frequency, based on your age, gender, personal and family health history, and other special needs.

My Health Wellness Program Requirements:

To receive the rewards of the My Health Wellness Program, you (and/or your spouse or your qualified domestic partner, if enrolled) must maintain all of the requirements described below. If you miss a requirement, you will be mailed a postcard reminder. If you do not become current on requirements, you will receive a second strike postcard giving you 7 days to contact The Center or Employee Benefits to take steps towards compliance. If you continue to be noncompliant, you will no longer receive the My Health Wellness Credit or the RHCA contribution. The good news is that it's easy to get back into the program and receive the rewards of a health--conscious lifestyle! If you want to continue receiving the My Health Wellness Credit, please contact Employee Benefits and we will guide you through the process to make sure you meet the requirements listed below. You will need to complete at least two consecutive months of Physical Activity Affidavits and be current on all other requirements before completing a form to re--enroll.

Complete the COK annual health screening	You must schedule and complete your health screening at The Center every year. You (and/or your spouse or qualified domestic partner, if covered) must have received a health screening at The Center within the previous 12 months for your My Health election to go into effect.
Stay physically active Note: Physically active means any activity that increases your heart rate. If you have medical limitations, contact The Center staff, who can approve an appropriate physical activity program for you.	You (and your covered spouse or qualified domestic partner) must commit to be physically active at least 60 minutes/week (with at least three sessions lasting a minimum of 10 minutes each) and submit proof of activity by the 10th of each month
Complete quarterly health education NOTE: This requirement must be completed by the individual My Health member only. If it is determined that your education documents were not completed exclusively by you, you will be immediately removed from My Health without notice.	Retirees and covered spouses or qualified domestic partners will be required to complete a quarterly education requirement. This can be fulfilled by reviewing CDs, DVDs, approved websites, approved TV shows and written materials available from The Center, Employee Benefits and Safety Building, as well as attending quarterly education classes taught by health coaches. and special guests
Actively manage any chronic health conditions	If you have one or more of the following chronic conditions, you (and your covered spouse or qualified domestic partner) must participate in The Center's health coach program: asthma, chronic obesity, congestive heart failure, COPD, coronary artery disease, diabetes, hyperlipidemia and hypertension.
Participate in The Center's health coach program if you use tobacco	If you use any form of tobacco (cigarettes, cigars, pipes, chewing tobacco or other tobacco product), you must participate in The Center's health coach program. Tobacco cessation drugs are provided at no cost.
Participate in the City's prenatal program, if applicable (optional)	If you or your covered dependent becomes pregnant in 2016, you may enroll in the City's prenatal program by the 10th week of pregnancy and receive an HRA contribution upon delivery of the baby.

We are committed to helping you achieve your best health. If you think you might be unable to meet a requirement for a reward under this wellness program, you might qualify for an opportunity to earn the same reward by a different means. We will work with you (and if you wish, with your doctor) to find a wellness program requirement that is right for you in light of your health status.

Medical...continued

Your HRA dollars

Upon retirement, your HRA account was converted into a RHRA, which is simply an HRA you can use during retirement. Please understand that this was a new account and cannot pay for any claims prior to retirement. So make sure you submit any outstanding claims prior to your retirement.

Spending your HRA dollars

You can use the RHRA dollars you earn by participating in My Health to pay for many non--covered medical, pharmacy, dental and vision expenses incurred by you and your eligible dependents. This includes deductibles, copays, coinsurance and certain other health care expenses you pay out of your own pocket. However, not all health care expenses are eligible. For a full list of eligible expenses, visit **www.wageworks.com**.

If you don't spend all your RHRA dollars during the year, they roll over to the next year and are available to you while you have retiree coverage, and even up to a year afterwards to help you pay Medicare premiums.

You have three ways to spend your RHRA dollars. You can:

1. **Use your WageWorks debit card.*** It contains your RHRA balance and works like cash at any vendor that accepts health care debit cards.
2. **Pay online.** Log onto your RHRA account at **www.wageworks.com** and use the Pay My Provider or Pay Me Back features.
3. **File a claim.** Pay the expense as you normally would. Then submit your receipts, along with a WageWorks claim form via mail (to the address on the form), email, fax or electronically through the app.

* If you're new to the My Health/RHRA program, you'll receive a WageWorks debit card in the mail after enrollment. If you already have a WageWorks debit card, check the expiration date. If it is not set to expire, your 2017 HRA dollars will automatically be loaded on it and you can continue to use the card in 2017.

If you are covering a Domestic Partner, s/he must be your tax dependent in order to use your RHRA dollars for their healthcare expenses. Children under age 26 do not have to be a tax dependent.

Your WageWorks debit card

1. Your WageWorks card works like a debit card, but when you swipe your card at the checkout, you must choose "credit."

2. Keep your receipts and explanations of benefits (EOBs) in case you are asked by WageWorks to substantiate a purchase. This is especially important if you use your debit card at a provider's office.

The IRS requires card use verification to prove that funds have been used toward eligible expenses. Acceptable documenation includes a detailed receipt or other proof of service and cost, such as an EOB. The receipt must contain the provider's name and address, name of the person receiving the service, date and cost of the service, and service details. You can print EOBs for your covered services from BCBST's website (**www.bcbst.com**). Credit card receipts generally do not provide enough information to verify a purchase. The top portion of your monthly WageWorks statement will let you know if you need to verify a purchase. Look for the code: CUV (card use verification).

3. You can register online at **www.wageworks.com.**

Once registered, you can:

- View your monthly statements online
- Check your account balance(s) and track account activity
- Request WageWorks to pay providers directly or reimburse you from your account
- View a list of eligible expenses
- See if you need to substantiate any purchases

NOTE: If you lose your card, call WageWorks immediately to report your missing card and order a new one. Or, you can order a new one online at **www.wageworks.com**.

Prescription drugs

When you enroll in the City's Retiree medical plan, you automatically receive prescription drug coverage, which is administered by OptumRx. Remember, there is a separate ID card for pharmacy. So make sure to use your BCBST card at the doctor's office and the OptumRx card only at the pharmacy.

You have three ways to purchase prescription drugs:

- At a network retail pharmacy
- Through the home delivery program
- At participating 90 day at retail pharmacies (you may purchase up to a 90--day supply at these designated pharmacies if your prescription drug does not have quantity limits)
- All Level 5 Specialty Drugs must be dispensed by the OptumRx Specialty Pharmacy, BriovaRx.

Prescription drug benefits...at a glance

	Preventive Drug List	Non-preventive Drug List
You pay...		
Level 1 (preferred generics)	$0.00	$5.00
Level 2 (non-preferred generics)	$5.00	$10.00
Level 3 (preferred brand)	$10.00	$20.00
Level 4 (non-preferred brand)	$20.00	$40.00
Level 5 (specialty)	$40.00	$80.00
90 day at retail locations can be filled at **2.5 times** the copay 90 day at mail will continue to be filled at **2 times** the copay		

Remember: All copayments apply toward your Annual Medical and Prescription Drug Out of Pocket Maximum.

Prescription drugs rules

The City's prescription drug plan has certain rules that may affect your benefits.

Generics vs. brand name

If you request a brand name drug when a generic is available, you will pay the Level 1 or 2 generic copay plus the cost difference between the brand name and generic drug.

Step therapy program

The step therapy program encourages you to try first--line or generic drugs before "stepping up" to more expensive "step--two" or brand name drugs for certain conditions. For example, if your provider prescribes Lunesta and you haven't taken it before, the pharmacist will not fill the prescription until you have tried a generic alternative.

If the generic alternative doesn't work for you, you can step up to the brand name drug.

Prior Authorizations

The Prior Authorization (PA) program is a cost--savings feature to make sure the medication is being used is appropriate. The program is designed to prevent the prescribing of a certain drug that my not be the best choice for the condition. Check the City of Knoxville Drug List to see if your drug is listed with a PA.

If you are a new user of this drug, you will need to allow time for your doctor to submit information to the pharmacy vendor for approval.

For more information, please visit

www.cityofknoxvillerx.com

Quantity Level Limits (QL)

Some drugs may have a limit on the amount you can receive. Based on FDA guidelines, the purpose is to reduce risk of overdose and unwanted drug reactions. If your doctor prescribes you more than the QL, they will need to contact our pharmacy vendor for approval.

Schedule 2 narcotics program

If your doctor prescribes a schedule 2 narcotic, such as Oxycontin, Oxycodone, Fentanyl or Opana, and your prescription exceeds a 60--day supply, prior authorization is required. Your doctor must be in your BCBST network and the prescription considered medically necessary by the plan.

Over--the--counter (OTC) program

The OTC program requires that if you take certain prescription drugs when an OTC alternative is available, your coverage will be reduced from the normal copay to 50% of the drug's cost. For example, Prilosec has an OTC alternative called omeprazole that may be as effective. And the full cost of omeprazole may be less than 50% of the cost of Prilosec.

Over--the--counter medications

Over--the--counter medications — such as aspirin, antihistamines and heartburn medications can't be reimbursed under the RHRA unless you provide a doctor's prescription.

My Health

The Center

The City's Health, Education & Wellness Center (The Center) is now served by Premise Health. Along with a new vendor, we have more staffing to provide more services. Like always, the Center provides free wellness services and health screenings — as well as health coaching for those with chronic conditions — for retirees and dependents who are covered under the City's medical plan. Now the Center is staffed with a full time doctor and a full time Nurse Practitioner. More staffing means more availability for acute visits or sick visits. The Center can also provide services to your covered spouses and dependent children ages 2 and up for $10 copay. You can pay for acute care with cash, check, credit/debit card or use your HRA card.

The Center and its staff are subject to confidentiality rules that apply to all medical providers. Care you receive at The Center does not replace treatment provided by your personal physician(s). However, The Center's staff can assist you in researching publicly available information about your condition, treatment options, medications and other self--care information.

Effective November 1, you can go to the Center's new location at 3131 Morris Avenue, Knoxville, TN, 37909. The office hours are 7am to 4pm Monday through Friday.

To schedule an appointment, you can call the Center at 865.215.6150. Soon, you'll be able to schedule an appointment online through their portal: **knoxvilletn.goandbewell.com**.

Reminder: To enroll in My Health, you and your covered spouse or domestic partner must complete an annual health screening at The Center, and meet other requirements as outlined on page 9.

THE CENTER
Served by Premise Health.

Important contacts

Benefit/Vendor	Website	Phone
General questions		
Employee Benefits	www.knoxvilletn.gov/benefits	865.215.2111
Medical		
BlueCross BlueShield of Tennessee	www.bcbst.com	1.800.565.9140
Health screening, coaching, acute care		
Premise Health at The Center	https://knoxvilletn.goandbewell.com	865.215.6150
My Health Requirements	www.COKmyhealth.com	
Prescription drugs		
OptumRx	www.optumrx.com www.cityofknoxvillerx.com	1.800.797.9791
Pension		
Pension Board	www.cokpension.org	865.215.1444
Deferred Comp		
Prudential Jessica Coleman	www.prudential.com/view/page/public/11996	1.800.992.4472 865.314.2109

CITY OF KNOXVILLE

This brochure provides highlights of the City of Knoxville's benefits program. It is not intended to include all of the benefit plan details. Complete details about how the plans work are included in the summary plan descriptions and plan documents, which are available on request. If there are any inconsistencies between this brochure and the official plan documents, the plan documents will govern. The City reserves the right to change or end any of the plans at any time. This document does not constitute a contract or offer of employment.